IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 07..02..2005

CORAM

THE HON'BLE MR.MARKANDEY KATJU, CHIEF JUSTICE
and
THE HON'BLE MR.JUSTICE D.MURUGESAN

W.A.Nos.3195, 3196, 3240 and 3241 of 2004
and
W.P.Nos.2858, 14501 & 14502 of 2004

Karnataka Soaps and Detergents Ltd.,
Bangalore - Pune Highway,
Post Box No.5531,
Bangalore - 560 055. ..Appellant in all the Writ Appeals & Writ Petitioner in W.P.Nos.2858, 14501 & 14502 of 2004

Vs.

1.The District Forest Officer,
Sathyamangalam Division,
Sathyamangalam - 638 402.
2. The Principal Chief Conservator of Forests,
Panagal Maaligai,
Saidapet,
Chennai - 600 015.
3. The Principal Commissioner and
Commissioner of Commercial Taxes,
Government of Tamil Nadu,
Ezhilagam,
Chepauk,
Chennai - 600 005. ..Respondents in W.As. 3195 & 3196 and W.P.No.2858 of 2004.

4 The Principal Commissioner and
Commissioner of Commercial Taxes,
Government of Tamil Nadu,
Ezhilagam,
Chepauk,
Chennai - 600 005.
5. The District Forest Officer,
Salem Division,
Salem.
6. The District Forest Officer,
Tirupattur Division,
Tirupattur (Vellore Division). ...Respondents in W.As. 3240 & 3241 & W.P.Nos.14501 & 14502/2004

WEB COPY

https://hcservices.ecourts.gov.in/hcservices/

Appeals filed under Clause 15 of the Letters Patent against the order passed in W.P.M.P.Nos. 3351, 3352, 17174 & 17175 of 2004 in W.P.Nos. 2858, 14501 & 14502 of 2004.

For Appellants in W.A.Nos.123 to 126 of 2005, 3240 & 3241 of 2004 & 3195 & 3196 of 2004 and for petitioners in W.P.Nos. 10601 to 10604/04 & W.P.No.2858 of 2004 …. Mr.C.Natarajan, Senior counsel for Mr.N.Inbarajan

For Respondents ::: Mr.T.Ayyasamy Spl.Govt.Pleader(Taxes)

::: Mr.V.S.Sethuraman Spl.Govt.Pleader(Forest)

J U D G M E N T

THE HON'BLE THE CHIEF JUSTICE

These writ appeals and writ petition are being disposed of by a common judgment. Heard learned counsel for the parties and perused the records. The short question involved in this batch of cases is whether the transactions under question are inter-state sales or intra-state sales.

2. The petitioner/appellant is a company registered under the Indian Companies Act, 1961 having its registered office and factory at Bangalore in the State of Karnataka. It is a Government of Karnataka undertaking, and it manufactures soap. One of the main raw material for the manufacture of soap is sandal wood which is periodically sold in auctions by the first and second respondents viz., the District Forest Officer Sathyamangalam and the Principal Chief Conservator of Forests, Saidapet, Chennai in the State of Tamil Nadu. The State of Tamil Nadu is insisting on charging General Sales Tax under the Tamil Nadu General Sales Tax Act, 1959 in respect of the auction sales to the petitioners. The petitioner/appellant alleges that these sales are in the course of inter state trade and commerce, and hence only chargeable to tax under Section-8 of the Central Sales Tax Act, and not under the Tamil Nadu Act.

3. It is alleged that the stand of the respondents is illegal and contrary to the decisions of the Supreme Court in Commissioner of Sales Tax, U.P. Vs. Bakhtawar Lal Kailash Chand Arhti, 87 STC 196 and Co-operative Sugars (Chittur) Limited Vs. State of Tamil Nadu, 90 STC 1. It is alleged that the 3rd respondent – Principal Commissioner and Commissioner of Commercial Taxes, Chennai having initially and correctly taken the view that the petitioner is only eligible to pay CST has subsequently without notice directed the first respondent-District Forest Officer, Sathyamangalam to charge sales tax on the petitioner under the Tamil Nadu General Sales Tax Act, 1959 placing reliance on the judgment of a learned single Judge of this Court in W.A.Shah Enterprises (P) Limited Vs.

WEB COPY
https://hcservices.ecourts.gov.in/hcservices/

District Forest Officer, 129 STC 299. It is alleged that as the sales of the 1st respondent- District Forest Officer, Sathyamangalam to the petitioner are inter-State sales the action of the respondents is illegal. The petitioner has prayed for quashing of the Circular in Lr.No.Acts Cell-IV/48623/2002 dated 24.07.2003 of the 3rd respondent – Principal Commissioner and Commissioner of Commercial Taxes, Chennai and for a direction that the respondents shall only charge Central Sales Tax from the petitioner, and not general sales tax under the Tamil Nadu General Sales Tax Act.

4. The facts of the case are that the petitioner-Company has its factory at Bangalore and is engaged in the manufacture of soaps and detergents in the State of Karnataka. Sandalwood is required for the use in the manufacture of soaps. Periodically, the 1st respondent - District Forest Officer, Sathyamangalam used to issue sale notice for auction sale of sandalwood in Tamil Nadu which is published in the District Gazette. The sale is subject to sales tax being paid whereupon delivery is effected. Petitioner participated in such auctions. For this purpose a power of attorney is given to a Senior Officer of the petitioner-Company to participate in the auction sale and to seek delivery, apply for transport permits, and for movement of the goods to the petitioner's factory. Accordingly, the petitioner bid in the auction sales in respect of the specific lots of sandalwood. The petitioner thereupon after securing the confirmation of the sale from the 1st respondent - District Forest Officer, Sathyamangalam obtained a transit pass in Form-41 read with Rule 155 of the Karnataka Forest Rules, 1969. The transit pass authorizes the entry of the sandalwood into the State of Karnataka indicating that the sandalwood is brought in, the name of the petitioner, number of quantity, marks, the mode of conveyance, the time, authorized route of transport. The petitioner also takes transit form under the Karnataka Sales Tax Act, 1957 indicating the petitioner as consignor as well as the consignee for the transport of the sandalwood. The petitioner thereupon obtains a permit from the District Forest Officer, Salem after the proceeds have been paid and marks placed on the selected bags. These formalities have to be undergone as soon as the sandalwood is notified, and the sale, possession and transit of sandalwood is strictly controlled under the Tamil Nadu Forest Act, as well as the Karnataka Forest Act. Under Rule 3 of the Tamil Nadu Sandalwood Transit Rules, 1967 no person can import or export sandalwood into or from Tamil Nadu unless the wood is accompanied by a permit referred to in Rule 4 or by a permit referred to in Rule 6 and unless the sandalwood bears the mark of the Government of origin with property mark. It is alleged by the petitioner that the moment the sale is confirmed, the proceeds are remitted whereupon the proceedings are issued for delivery to be effected by the 1st respondent - District Forest Officer, Sathyamangalam for onward movement as contemplated by the cumulative circumstances referred to above. It is alleged that at all material times the 1st respondent - District Forest Officer, Sathyamangalam was instructed by the 3rd respondent – Principal Commissioner and Commissioner of Commercial Taxes, Chennai to charge Central Sales Tax. Accordingly, the petitioner was issuing C-Forms and transporting the goods immediately on delivery into the State of Karnataka. However, subsequently the petitioner received a communication of the 3rd respondent – Principal Commissioner and Commissioner of Commercial Taxes, Chennai dated 24.07.2003 stating

WEB COPY
https://hcservices.ecourts.gov.in/hcservices/

that the sales were local sales as per the judgment of this Court reported in W.A.Shah Enterprises (P) Limited Vs. District Forest Officer, (Supra). The local sales attract sales tax at 12% whereas the inter-State sales attract tax at 4% under Section 8(1) of the Central Sales Tax Act, 1956 because the petitioner is a registered dealer under the Central Sales Tax Act, 1956. In view of the above development the petitioner was compelled to pay tax at 12% with surcharge in respect of the sale held on 11.09.2003. The petitioner remitted the amount under protest by letter dated 14.09.2003 because delivery was refused unless tax under the Tamil Nadu General Sales Tax Act, 1959 was remitted. The petitioner further alleged that being a manufacturer of soap and detergents in the State of Karnataka, it purchases the sandalwood solely for the purpose of transport and consumption in its factory at Bangalore. Hence, the purchase is in the course of inter-State trade and commerce. It is alleged that the petitioner participated in the auction through its senior officer for the purpose of bidding for sandalwood, taking delivery in Tamil Nadu and transporting it into Karnataka, and the sale and movement are integral without possibility of diversion. It is further alleged that the petitioner bid only for the purpose of consumption in the State of Karnataka and the very delivery and transportation is covered by the Transport Pass in Form-41 issued under Rule 155 of the Karnataka Forest Rules, 1969, Form-39 issued under the Karnataka Sales Tax Act, 1957 and permit in Form-I issued by the 1st respondent - District Forest Officer, Sathyamangalam or his delegates, the goods being sold and transported through a designated route to a destination within a specified time for which proof has to be submitted to the authorities, and the delivery and transportation is statutorily governed. It is alleged that the petitioner neither contemplates, nor effects diversion of the goods purchased for consumption in the State of Karnataka.

5. It is further alleged that the following circumstances indicate that the purchase of the sandalwood and its transportation into the State of Karnataka are part and parcel of the same transaction and arise out of the compulsion in the course of transaction: -

(i) the petitioner, who is an auction buyer, has its factory for use and consumption of sandalwood only in the State of Karnataka. The petitioner has no place of business in the State of Tamil Nadu;

(ii) the petitioner even while participating in the auction obtained and submitted an Income Tax Certificate under the proviso to Section 206(1) of the Income Tax Act, 1961 from its Income tax authority and submitted the same to the District Forest Officer, so that a 15% debit on the purchase consideration is avoided. That Certificate submitted in Form 27C read with Rule 37C certifies that the products are purchased for the purpose of manufacture and authorizing the District Forest Officer not to collect tax at source. Non-recovery of income tax at source while effecting full payment to secure a delivery order of the seller impresses a requisite obligation on the petitioner to

WEB COPY
https://hcservices.ecourts.gov.in/hcservices/

transport the goods to its factory in Karnataka for manufacture;

(iii) Sections 35 and 36 of the Tamil Nadu Forest Act and the Tamil Nadu Sandalwood Transit Rules, 1967 (Rules 3 and 4) strictly control the movement. They provide certificate for the transit indicating the route of transit, and the destination in Karnataka. Hence, the sandalwood cannot be diverted.

(iv) The petitioner applied for and secured Import Permit under the Karnataka Forest Rules, 1969, specifying the time within which, and the route by which the goods sold have to be imported into Karnataka. Hence, also the sandalwood cannot be diverted.

(v) The Delivery Order of the District Officer, the transit and transportation from the depot in Tamil Nadu to the factory in Karnataka are immediate and interlinked by the route of transit indicated in the permit.

6. Mr.C.Natarajan, learned Senior Counsel for the petitioner/appellant has strongly relied on the decision of the Supreme Court in Commissioner of Sales Tax, U.P. Vs. Bakhtawar Lal Kailash Chand Arhti, 87 STC 196. In that case, the facts were that the Ex.U.P. principals contracted with the assesse (a commission agent) that he should purchase goods on their behalf in U.P. and transport them to a destination outside U.P on payment of a commission. The goods were sent to the Ex.U.P. principals under fulfillment of the contract. In our opinion this decision is clearly distinguishable because in the present case it is the petitioner/appellant who himself has purchased the goods in the State of Tamil Nadu through its officers. Having purchased the goods in the auction sale in Tamil Nadu, the petitioner was under no legal obligation to send the goods to the State of Karnataka. Surely, a person cannot be said to be under any legal obligation to himself. On the other hand, in the decision of the Supreme Court in Commissioner of Sales Tax, U.P. Vs. Bakhtawar Lal Kailash Chand Arhti, 87 STC 196 (supra) the commission agents (the assessees) were under a contractual obligation to transport the goods which they purchased in U.P to their Ex.U.P. principals. Hence, the aforesaid decision of the Supreme Court is clearly distinguishable, because in the present case we find that the petitioner was under no legal obligation (whether express or implied, and whether statutory, contractual or otherwise) to export the sandalwood to Karnataka. The export to Karnataka by the petitioner was purely voluntary, and not under any obligation of any kind, express or implied.

7. The learned Senior Counsel for the petitioner/appellant then relied on the decision of the Supreme Court in Co-operative Sugars (Chittur) Limited Vs. State of Tamil Nadu, 90 STC 1. In our opinion that decision is also distinguishable. The said decision related to the purchase of sugarcane in Tamil Nadu by the appellant therein who had a sugar factory in Kerala. It may be mentioned that under the Sugarcane Control Order, 1966, ordinarily sugarcane cannot be transported except to the factory lying within the reserved area. The system of supply of sugarcane to the sugar factories, which is prevalent in most parts of the country, is that the Government declares a certain area lying within a certain

WEB COPY
https://hcservices.ecourts.gov.in/hcservices/

radius of a sugar factory as a reserved area. The sugarcane growers within that reserved area can sell sugarcane only to that factory which is inside the reserved area, and the sugar factory can only purchase cane from the cane growers within that reserved area. However, it appears that sugarcane was not available in Kerala State. Hence, the Governments of Kerala and Tamil Nadu entered into an agreement pursuant to which the Government of Tamil Nadu issued a G.O. permitting the appellant therein to purchase sugarcane from certain areas in Coimbatore and Pollachi Taluks in Tamil Nadu. The appellant was permitted to purchase sugarcane in Coimbatore and Pollachi Taluks only with a view to and exclusively for the purpose of transporting it to its factory in Kerala. The movement of the goods from Tamil Nadu to Kerala was occasioned by the sale by the farmers or by the purchase by the appellant. Thus, it is evident from the facts of the above case that the appellant was permitted to purchase sugarcane in Coimbatore and Pollachi Taluks in Tamil Nadu only with a view to and exclusively for the purpose of transporting it to its factory in Kerala. This was because of the G.O. issued by the Tamil Nadu Government in pursuance of its agreement with the Kerala Government. Thus, the aforesaid decision of the Supreme Court was on its own peculiar facts, and hence it is clearly distinguishable.

8. In our opinion, the sales in question in the present bunch of cases cannot be regarded as inter-State sales. No doubt, it is not necessary that the contract of sale must expressely provide for the movement of the goods to another State, as held in Co-operative Sugars (Chittur) Limited Vs. State of Tamil Nadu, 90 STC 1 (supra). However, as held in the Constitution Bench decision of the Supreme Court in State of A.P. Vs. National Thermal Power Corporation Ltd., and Others, (2002) 5 SCC 203 (vide Para-24) the contract of sale must at least impliedly provide for the movement of the goods from one State to another. In the aforesaid Constitutional Bench decision the Supreme Court has observed: -

> "It is well settled by a catena of decisions of this Court that a sale in the course of inter-State trade has three essential ingredients:
>
> (i) there must be a contract of sale, incorporating a stipulation, express or implied, regarding inter-State movement of goods;
>
> (ii) the goods must actually move from one State to another, pursuant to such contract of sale, the sale being the proximate cause of movement;
>
> (iii) such movement of goods must be from one State to another State where the sale concludes. It follows as a necessary corollary of these principles that a movement of goods, which takes place independently of a contract of sale, would not fall within the meaning of inter-State sale. In other words, if there is no contract of sale preceding the movement of goods, obviously the movement cannot be attributed to the contract of sale. Similarly, if the transaction of sale stands completed

WEB COPY
https://hcservices.ecourts.gov.in/hcservices/

> within the State and the movement of goods takes place thereafter, it would obviously be independently of the contract of sale and necessarily by or on behalf of the purchaser alone and, therefore, the transaction would not be having an inter-State element. Precedents are legion; we may briefly refer to some of them. In English Electric Co. of India Ltd., Vs. CTO, (1976) 4 SCC 460 this Court held that when the movement of the goods from one State to another is an incident of the contract, it is a sale in the course of inter-State sale and it does not matter which is the State in which the property passes. What is decisive is whether the sale is one which occasions the movement of goods from one State to another. In Union of India Vs. K.G.Khosla and Co. Ltd. (1979) 2 SCC 242 it was observed that a sale would be an inter-State sale even if the contract of sale does not itself provide for the movement of goods from one State to another provided, however, that such movement was the result of a covenant in the contract of sale or was an incident of the contract. Similar view was expressed in Sahney Steel and Press Works Ltd., Vs. CTO, (1985) 4 SCC 173. In Manganese Ore (India) Ltd., Vs. Regional Asstt. CST, (1976) 4 SCC 124 after referring to Balabhagas Hulaschand Vs. State of Orissa, (1976) 2 SCC 44 it was observed that so far as Section 3(a) of the CST Act is concerned, there is no distinction between unascertained or future goods and goods which are already in existence, if at the time when the sale takes place these goods have come into actual existence."

9. Thus, as held in the above decision, the very first requirement for regarding a sale as an inter state is that the contract of sale must incorporate a stipulation, express or implied, regarding inter-state movement of goods. In the present case, we do not find any such stipulation, express or implied, providing for inter-state movement of goods. Hence the sales in question do not fulful the very first requirement, as laid down in the Constitution Bench decision of the Supreme Court in State of A.P v. National Thermal Power Corporation Ltd. (supra).

10. No doubt in Union of India Vs. K.G.Khosla and Co. Ltd., (1979) 2 SCC 242 the Supreme Court observed that a sale would be an inter-State sale even if the contract of sale does not itself provide for the movement of the goods from one State to another, provided, however, such movement was a result of a covenant in the contract of sale or was an incidence of the contract. In the present case, it cannot even be said that the movement of goods from Tamil Nadu to Karnataka was a result of any implied covenant in the contract of the sale or was an incidence of the contract. In our opinion, the movement of goods from Tamil Nadu to Karnataka was

WEB COPY
https://hcservices.ecourts.gov.in/hcservices/

wholly independent of the contract of sale. The Tamil Nadu Government did not enter into any covenant, express or implied, with the petitioner that after the petitioner purchases the sandalwood in the auction sale, he will have to transport the goods to Karnataka. There was also no statutory rule or Government notification requiring the petitioner to export the goods to Karnataka after purchasing them at the auction sale.

11. It may be noted that the auction sale of sandalwood in the State of Tamil Nadu was done by the State of Tamil Nadu. The State Government would only be interested in getting the highest price for the sandalwood, and it would hardly be concerned with the question whether the sandalwood after the auction sale is consumed within the State of Tamil Nadu or goes to some other State. Hence, it cannot be said even by implication that the State of Tamil Nadu had entered into any covenant with the petitioner/appellant for transportation of the sandalwood to Karnataka after the sale. The movement of goods from Tamil Nadu to Karnataka can also not be said to be an incidence of the auction sale, rather the auction sale had nothing to do with the transport of the goods to Karnataka. In the auction sales (for all we know) there may have been bidders who wanted to purchase the sandalwood for use within the State of Tamil Nadu and not for transport outside the State. The State Government authorities would hardly be interested in the question whether the sandalwood after purchase in the auction sale is sent to Karnataka or U.P or some other State, or remains within Tamil Nadu. Hence, it cannot be said that the movement of goods to Karnataka was an incidence of the auction sale. In our opinion, such movement was wholly independent of the auction sale. Thus, it cannot be said that it was an inter-State sale.

12. The decision of the Supreme Court in South India Viscose Ltd. v. State of Tamil Nadu, AIR 1981 SC 1604 is in our opinion distinguishable. In paragraph-11 of the said decision, the Supreme Court observed: -

> " In the instant case, there is clear evidence of the existence of a prior contract of sale as per terms of the allocation card. The fact that actual sale pursuant to the said contract of sale had taken place subsequently does not militate against the transaction being treated as an inter-State sale under Sec.3 (a) of the Act, since the movement of the goods delivered to the buyer was occasioned by the contract of sale brought into existence under the terms of the allocation card"

The Supreme Court in the above decision observed that the goods having been dispatched from one State to another pursuant to the contract of sale, which came into existence directly between the appellant and the buyer a few days after the date of allocation of the card, the sale was an inter-State sale. The Supreme Court observed that there has to be a conceivable link between the contract of sale and the movement of goods from one State to another in order to discharge the obligation under the contract of sale to make it an inter-State sale.

WEB COPY
https://hcservices.ecourts.gov.in/hcservices/

13. In the present case, there is no conceivable legal link between the auction sale in Tamil Nadu and the movement of goods to Karnataka. The said movement was purely voluntary at the option of the petitioner and not under any legal obligation. Hence, the decision in South India Viscose Ltd. v. State of Tamil Nadu (supra) is clearly distinguishable.

14. As regards the decision in Indian Oil Corporation Ltd. v. Union of India (Air 1981 SC 446), this decision too, in our opinion, is distinguishable. In the above case, the petitioner corporation had a refinery at Barauni in the State of Bihar and also a depot at Panki, Kanpur in U.P. An agreement was entered into between the petitioner and Indian Explosives Limited, who had a factory at Panki, Kanpur in U.P where it manufactures urea fertilizers in terms of which, the petitioner were to sell to Indian Explosives the entire quantity of naphtha required for the fertilizer factory. Under clause-4 of the said agreement, the seller was to make supply of naphtha to the buyer from its refinery at Barauni. Thus the source of supply was the refinery at Barauni in Bihar and the destination was the buyer's factory at Kanpur. This one clause alone was sufficient to prove that the sales in question were inter-State sales.

15. It was contended by the petitioner in the above case that the sales were local sales and not inter-State sales, because the sales were made on the buyer's indents in writing addressed to the seller (the petitioner) at its Kanpur branch and not at its refinery at Barauni. It was alleged that the supplies were made from the petitioner's storage at Kanpur to the fifth respondent's factory also at Kanpur. However, this contention of the petitioner was rejected and it was held by the Supreme Court that the sales under the agreement are not possible without inter-State movement of naphtha. The arrangement regarding the storage facility was only for operational convenience and it was only a mechanism devised to facilitate the transfer of naphtha through the seller's pipeline to their depot at Kanpur and from there to the buyer's factory at Kanpur.

16. Thus, the facts of the above case clearly show that the said decision is distinguishable and has no application to the facts of the present case. In the present case, the auction sales in Tamil Nadu were wholly independent of the subsequent movement of sandalwood to Karnataka.

17. On the other hand, the decision of the Constitution Bench of the Supreme Court in T.E. & L.Co. v. Asst.Commr., Commercial Taxes (AIR 1970 SC 1281) is more apposite to the facts of the present case. In the above decision the facts of the case were that vehicles was moved from the factory of the appellant to various stock yards in different States, but the movement of vehicles from the site of works to the stock yards was not occasioned by any covenant or incident of the contract of sale. In fact, the completion of the sales to the dealers did not take place at the Jamshedpur factory, but was completed at the stock yard. There was nothing to show that the movement of goods from the Jamshedpur factory of the appellant to the stock yard was in pursuance of some firm order on behalf of a customer.

WEB COPY
https://hcservices.ecourts.gov.in/hcservices/

18. In Commissioner of Commercial Taxes, Bihar Vs. Bhag Singh Milkha Singh, (1974) Vol.34 STC 535 a Division Bench of the Patna High Court observed: -

> "It must be held that what is of importance to make the sale as one in the course inter-State trade and commerce is that there must be an obligation to transport the goods outside the State – the obligation may be of the seller or the buyer – and it may arise by reason of statute, contract between the parties, or from mutual understanding or agreement between them or even from the nature of the transaction which linked the sale to such transportation. Such an obligation may be imposed expressly under the contract itself or impliedly by a mutual understanding. It is not necessary that in all cases there must be pieces of direct evidence showing such obligation in a written contract or oral agreement. Such obligations are inferable from circumstantial evidence also."

19. In the present case, it cannot be said that the petitioner was under any obligation of any nature to transport the sandalwood after purchase in Tamil Nadu to the State of Karnataka. No doubt, as held by the Supreme Court in the above decision, the obligation may be imposed either expressly by the contract or impliedly by a mutual understanding. However, in this case, even by implication it cannot be said that the petitioner was under any obligation to transport the goods from Tamil Nadu to Karnataka. The goods were purchased by the petitioner itself in Tamil Nadu (through its Officers) and surely it cannot be said that the petitioner was under obligation to itself to transport the goods from Tamil Nadu to Karnataka. "A" can be under obligation to "B", but surely "A" cannot be under an obligation to "A" himself. After having purchased the sandalwood in Tamil Nadu, the petitioner could do whatever he liked with it, and he was under no obligation to transport it to Karnataka, and that he did so was of his own choice and volition and not under any obligation. No doubt, the petitioner obtained necessary permits under the Karnataka and Tamil Nadu Acts and obtained the necessary income-tax certificate, but that was all voluntary and of its own choice. If the petitioner had not chosen to transport the goods to Karnataka it may have suffered from the business point of view as it would not get the necessary raw materials for its factory in Bangalore, but that does not amount to saying that it was under any legal obligation, either express or implied, to transport the goods to Karnataka. Hence, the auction sales cannot be called inter-State sales.

20. In view of the above, W.A.Nos.3195, 3196, 3240 & 3241 of 2004 and W.P.No.2858 of 2004 are dismissed. Since W.A.Nos. 3240 & 3241 of 2004 arise out of the interlocutory orders in W.P.M.P.Nos.17174 & 17175 of 2004 in W.P.Nos.14501 of 14502 of 2004, and in view of the fact that W.P.Nos.14501 of 14502 of 2004

https://hcservices.ecourts.gov.in/hcservices/

involve identical questions of fact and law, as in W.A.Nos.3240 & 3241 of 2004 and W.P.No.2858 of 2004, with the consent of the parties, W.P.Nos.14501 & 14502 of 2004 are also called and heard, and for the aforesaid reasons they are dismissed.

sm/pv

Sd/
Asst.Registrar

/true copy/

Sub Asst.Registrar

Copy to:

1.The District Forest Officer,
Sathyamangalam Division,
Sathyamangalam - 638 402.

2. The Principal Chief Conservator of Forests,
Panagal Maaligai,
Saidapet,
Chennai - 600 015.

3. The Principal Commissioner and
Commissioner of Commercial Taxes,
Government of Tamil Nadu,
Ezhilagam,
Chepauk,
Chennai - 600 005.

4. The District Forest Officer,
Salem Division,
Salem.

5. The District Forest Officer,
Tirupattur Division,
Tirupattur (Vellore Division).

+ 4 ccs to Mr.N.Inbarajan, Advocate SR 5180
+ 1 ccs to Spl.Govt.Pleader (Taxes) SR 5391

WEB COPY

MDR(CO)
SR/22.2.2005

https://hcservices.ecourts.gov.in/hcservices/